

**SCOPE OF WORK**  
**CONTRACT FOR THE PERFORMANCE OF PROFESSIONAL SERVICES**  
**ANALYSIS OF WASHINGTON DC METRO REAL ESTATE MARKET CONDITIONS' IMPACT ON**  
**THE VALUATION OF GSA ASSETS**

**1. STATEMENT OF PURPOSE**

The United States General Services Administration (GSA) National Capital Region (NCR) currently oversees a federally owned portfolio of approximately 50 million square feet of real estate in the Washington, DC Metro Area. As the buildings age and the condition of the portfolio deteriorates, GSA continues to examine and implement diverse alternatives to best manage, maintain and renovate this large portfolio. Many of the buildings included in the NCR portfolio are large buildings/sites with prime downtown DC locations in the monumental core. These buildings present a unique opportunity for GSA to leverage these assets through disposition/exchange to capture the best value for the taxpayer while providing the federal agencies with state of the art office space that allows them to best perform their important, respective mission. GSA is currently moving forward with two proposed exchanges that include the J. Edgar Hoover Building at 935 Pennsylvania Avenue, NW and the exchange of Cotton Annex (CA) Building located at 300 12th St. SW and the GSA Regional Office Building (ROB) located at 301 7th St. SW, referred to as CA/ROB.

The purpose of the Scope of Work is to solicit professional real estate services to gather and examine current and projected Washington, DC Metro Area real estate market information/conditions (this should include the proposed J. Edgar Hoover and CA/ROB exchanges) and the potential impact these conditions may have on the valuation of GSA's assets and the impacts on other proposed large-scale development projects in the DC Metro Area should GSA execute a disposition or exchange. The market conditions should include typical real estate metrics (vacancy, absorption, sales, proposed large commercial developments, etc.) as well as any other supplementary impacts (including but not limited to issues like proposed zoning changes, capital markets, timing of a potential disposition/exchange, location of the asset, condition of the asset). While a macro level analysis of these conditions and the potential impacts on valuation in a disposition/exchange deal structure are expected as part of this scope, there are specific federally owned buildings where GSA is seeking to have a more robust analysis completed. The sites are the Department of Labor Headquarters Building (Frances Perkins) located at 200 Constitution Avenue, NW; and multiple buildings along Independence Avenue to include the James V. Forrestal Building located at 1000 Independence Ave, SW; and the Orville Wright Federal Building located at 800 Independence Avenue, SW; and the Wilbur Wright Federal Building located at 600 Independence Avenue, SW; the "Parcels."

**2. SCOPE OF WORK**

**Real Estate Market Analysis and Impact on Valuation**

GSA is seeking to have an analysis completed to determine the potential impacts that current and projected market conditions, as described above, may have on the fair market value of assets within its real estate portfolio. The analysis should include market conditions for the Washington, DC Metro Area.

Deliverables include:

- Compile market data from multiple sources and complete a detailed market analysis of current conditions to include the office, residential and retail markets.

- Market analysis for all downtown DC submarkets should include typical metrics including but not limited to:
  - Vacancy rates, significant leasing activity, absorption rates, significant sales, proposed large commercial developments and other pipeline activity, historical data for past 12 quarters, macro outlook for the respective asset classes.
- Analysis of the impact of the proposed DC Zoning Regulation Review (ZRR), or any other proposed changes or regulatory impacts, related to the proposed zoning for the Parcels to include, but not limited to, the zoning classification under private ownership, FAR, potential increases to density.
- Analysis of other additional impacts including but not limited to capital markets, timing of a potential disposition/exchange, location of the asset, type of disposition (e.g sale or exchange), condition of the asset, impact of executing a Public Private Partnership with the federal government.
- Overall analysis of all of the potential impacts could potentially have on the fair market value of the Parcels and a macro discussion on other potential sites (not seeking a formal appraisal).
- Presentation of findings to GSA management.

#### **Firm Fixed Price**

The negotiated firm fixed price is inclusive of all services detailed. The Government reserves the right to make an award without conducting discussions based on initial proposals.

#### **Travel:**

No travel reimbursement will be authorized by GSA unless the contractor provides sufficient written evidence of costs incurred, including receipts, registers, or other information as may be required, requested and authorized by GSA, prior to any travel activity.

#### **Schedule of Deliverables:**

The contractor shall provide 5 hard copies and 1 electronic copy of each task report submittal. At a minimum the government requires a report to be submitted at the following project milestones:

Draft Report:	3 Weeks from Kick-Off Meeting
Government Review/Comments:	1 Week from delivery of Draft
Final Report:	1 Week from Government Comments